

BEFORE THE
Federal Communications Commission
WASHINGTON, D. C. 20554

In the Matter of)
)
ENTERCOM COMMUNICATIONS AND) MB Docket No. 17-85
CBS RADIO SEEK APPROVAL TO)
TRANSFER CONTROL OF AND ASSIGN)
FCC AUTHORIZATIONS AND LICENSES)

TO: Office of the Secretary

ATTN: The Commission

**REPLY TO OPPOSITION TO
PETITION FOR FURTHER RECONSIDERATION**

Edward R. Stolz II d/b/a Royce International Broadcasting Company (Stolz), Golden State Broadcasting, LLC (Golden), Silver State Broadcasting, LLC (Silver) and Major Market Radio, LLC (Major), and Deborah J. Naiman (Naiman) (collectively "Petitioners"), by their attorney, and pursuant to 47 CFR §1.1.106(h), hereby respectfully submit this Reply to the "Opposition of Entercom Communications Corp. to Petition for Further Reconsideration" filed on December 6, 2018. In so doing whereof, the following is shown:

1. There now appears to be no doubt that former CBS Corporation chairman and chief executive officer Leslie Moonves was a sexual predator. Yesterday, December 17, 2018, CBS

Corporation issued the attached "Statement from CBS Board of Directors", which is currently linked on the CBS Corporation website homepage, <https://www.cbscorporation.com/statement-from-cbs-board-of-directors-2/> . In pertinent part, the CBS Board of Directors wrote:

With regard to Mr. Moonves, we have determined that there are grounds to terminate for cause, including his willful and material misfeasance, violation of Company policies and breach of his employment contract, as well as his willful failure to cooperate fully with the Company's investigation. Mr. Moonves will not receive any severance payment from the Company.

As a result of their work, the investigators also concluded that harassment and retaliation are not pervasive at CBS. However, the investigators learned of past incidents of improper and unprofessional conduct, and concluded that the Company's historical policies, practices and structures have not reflected a high institutional priority on preventing harassment and retaliation. The investigation determined that the resources devoted to the Company's Human Resources function, to training and development, and to diversity and inclusion initiatives have been inadequate, given the size and complexity of CBS' businesses. Employees also cited past incidents in which HR and the Company did not hold high performers accountable for their conduct and protect employees from retaliation.

2. Contrary to Entercom's argument that Mr. Moonves's conduct constituted "non-FCC misconduct allegations", it is to be remembered that Mr. Moonves was the chairman and chief executive officer of a corporation in control of wholly-owned subsidiaries holding radio and television broadcast licenses.

3. CBS Corporation's own internal investigation found that there were instances of "harassment and retaliation" in its employment practices. The FCC in 1968 concluded that the

national policy against discrimination and the fact that broadcasters are licensed under the Communications Act to operate in the public interest required the Commission to consider allegations of employment discrimination in licensing broadcast stations. **Review of the Commission's Broadcast and Cable Equal Employment Opportunity Rules and Policies**, 17 FCC Rcd 24018 (2002), citing **Petition for Rulemaking to Require Broadcast Licensees to Show Nondiscrimination in Their Employment Practices**, 13 FCC 2d 766 (1968).

4. At the very least, in light of yesterday's developments, the FCC needs to obtain and review the CBS Corporation investigation report before it can finalize its ruling that CBS Corporation and its radio subsidiaries had the basic character qualifications required by **Jefferson Radio Co., Inc. v. FCC**, 340 F.2d 781 (1964).

5. As far as timeliness is concerned, the undersigned is aware of at least two cases before the FCC where an assignment/transfer application was granted, and later the grant was rescinded, where new facts came to light about a party's basic character qualifications. In **Michigan Television Network, Inc.**, 72 FCC 2d 732 (1979), after the FCC staff granted an assignment application involving two television stations in northern Michigan, the FCC en banc learned new facts about the putative controlling party of the assignee, John P. McGoff, who

turned out to be a puppet for the *apartheid* racist government of South Africa which was an international pariah in those days.

6. The other case involved Seema Boesky and her then husband, corrupt arbitrager Ivan Boesky. As the undersigned remembers the circumstances, the FCC staff granted a Form 316 pro forma transfer application involving a television station in Oklahoma City. A member of the financial press almost immediately contacted the FCC staff and inquired if they knew who the Boeskys were. The grant was quickly rescinded, and led to the FCC ordering an investigative proceeding requiring the Boeskys to show cause why the license of their television station should not be revoked. ***Seraphim Corporation***, 2 FCC Rcd 7177 (1987).

7. The FCC clearly has the right to rescind the grants made in the above-captioned proceeding. 47 C.F.R. §1.117. If it doesn't, it will put the agency clearly at odds with the judicial precedent in ***Jefferson Radio***, *supra*, that it is obliged to obey. This is because yesterday's actions of the CBS Corporation board of directors summarized in Exhibit A provide the "good deal of smoke" of the existence of a prima facie case of lack of basic character qualifications on the part of CBS Corporation, and that, on the present record, the FCC cannot make the statutory finding required by Section 309(a) that grants of the applications in the above-captioned proceeding

serve the public interest, convenience and necessity. ***Citizens for Jazz on WRVR, Inc. v. FCC***, 857 F.2d 1556 (D. C. Cir. 1988). Therefore, a hearing required by 47 U.S.C. §309(e) must be designated.

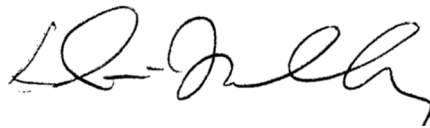
Conclusion

8. In view of the foregoing, Petitioners urge that the Commission vacate FCC 18-152 and all prior rulings in this docket, rescind the grants of all applications therein, and, in addition to the heretofore unresolved issues against Entercom Communications Corporation and its subsidiaries, designate all said applications in MB Docket No. 17-85 for a hearing before an independent Administrative Law Judge to determine the facts surrounding Leslie Moonves' sexual misconduct at CBS Corporation (including a full and fair review of the internal investigation undertaken by the CBS Corporation board of directors), whether the CBS Corporation board of directors failed in their fiduciary responsibilities to properly supervise Leslie Moonves, and based on the facts so adduced whether CBS Corporation and its subsidiaries possess the basic character qualifications to be able to assign its 177 radio stations to Entercom Communications Corporation. Indeed, the CBS Corporation raised a very bright red flag when it denied Mr. Moonves a "lovely parting gift" of a severance package valued at some \$120,000,000.00.

WHEREFORE, it is urged that the Petition for Further Reconsideration **BE GRANTED** and that relief as requested herein **BE GRANTED.**

Respectfully submitted,

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DATED: December 18, 2018

EXHIBIT A

Statement from CBS Board of Directors

Dec
17
2018

The Board of Directors of CBS has completed its investigation of former Chairman and CEO Leslie Moonves, CBS News, and cultural issues at CBS.

With regard to Mr. Moonves, we have determined that there are grounds to terminate for cause, including his willful and material misfeasance, violation of Company policies and breach of his employment contract, as well as his willful failure to cooperate fully with the Company's investigation. Mr. Moonves will not receive any severance payment from the Company.

As a result of their work, the investigators also concluded that harassment and retaliation are not pervasive at CBS. However, the investigators learned of past incidents of improper and unprofessional conduct, and concluded that the Company's historical policies, practices and structures have not reflected a high institutional priority on preventing harassment and retaliation. The investigation determined that the resources devoted to the Company's Human Resources function, to training and development, and to diversity and inclusion initiatives have been inadequate, given the size and complexity of CBS' businesses. Employees also cited past incidents in which HR and the Company did not hold high performers accountable for their conduct and protect employees from retaliation.

The Board, which includes six new members, and the Company's new management have already begun to take robust steps to improve the working environment for all employees. Among other things, the Company appointed a new Chief People Officer, is actively engaged in ways to enhance and reimagine the Human Resources function, and has retained outside expert advisors to develop other initiatives for promoting a workplace culture of dignity, transparency, respect and inclusion. These

efforts will continue to be a high priority for the Board and the Company's management, and we will continue to work together to communicate with our workforce in that regard.

We would like to thank everyone who cooperated with the investigation and applaud CBS' employees for remaining focused on their jobs during this very difficult time. We look forward to the people of CBS returning their full attention to the outstanding work that they do every single day.

About CBS Corporation:

CBS Corporation (NYSE: CBS.A and CBS) is a mass media company that creates and distributes industry-leading content across a variety of platforms to audiences around the world. The Company has businesses with origins that date back to the dawn of the broadcasting age as well as new ventures that operate on the leading edge of media. CBS owns the most-watched television network in the U.S. and one of the world's largest libraries of entertainment content, making its brand — “the Eye” — one of the most-recognized in business. The Company's operations span virtually every field of media and entertainment, including cable, publishing, local TV, film, and interactive and socially responsible media. CBS' businesses include CBS Television Network, The CW (a joint venture between CBS Corporation and Warner Bros. Entertainment), Network 10 Australia, CBS Television Studios, CBS Studios International, CBS Television Distribution, CBS Consumer Products, CBS Home Entertainment, CBS Interactive, CBS Films, Showtime Networks, CBS Sports Network, Pop (a joint venture between CBS Corporation and Lionsgate), Smithsonian Networks, Simon & Schuster, CBS Television Stations, CBS EcoMedia, and CBS Experiences. For more information, go to www.cbscorporation.com (<http://www.cbscorporation.com/>).

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CERTIFICATE OF SERVICE

It is hereby certified that true copies of the foregoing "Reply to Opposition to Petition for Further Reconsideration" have been served by e-mail and first-class United States mail, postage prepaid, or by e-mail only where shown by "*", on this 18th day of December, 2018 upon the following:

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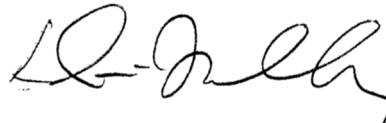
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A handwritten signature in black ink, appearing to read "D. Kelly", written in a cursive style.

Dennis J. Kelly